

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3282-01
Bill No.: HB 1315
Subject: Education, Higher; Higher Education Department
Type: Original
Date: January 7, 2008

Bill Summary: This proposal requires institutions of higher education to report to the General Assembly about the steps the institution is taking to ensure intellectual diversity and the free exchange of ideas.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2009 | FY 2010 | FY 2011 |
| | | | |
| | | | |
| Total Estimated Net Effect on General Revenue Fund | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2009 | FY 2010 | FY 2011 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2009 | FY 2010 | FY 2011 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------|----------|----------|
| FUND AFFECTED | FY 2009 | FY 2010 | FY 2011 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|------------|------------|------------|
| FUND AFFECTED | FY 2009 | FY 2010 | FY 2011 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Higher Education (DHE)** assumes that if passed, this bill may impact DHE. The bill requires the Coordinating Board for Higher Education, which is the head of the DHE, to require each public institution of higher education to report on steps taken to promote intellectual diversity, as defined by the bill, each year. DHE staff would have to spend time carrying this mandate out. A staff member would have to track which institutions had made reports and would have to follow up with institutions that had not yet made their reports.

This bill will likely also impact Missouri's public higher education institutions. Those institutions will incur costs compiling the annual reports mentioned above, posting information on web-sites, and notifying students that the measures are in place.

Officials at the **University of Central Missouri (UCM)** assume the legislation will impose the following additional personnel and general operations costs on UCM. Personnel costs include salaries and non-salary benefits. General operations costs include supplies, mailing, storage (physical and virtual), computer systems maintenance.

- 1) Assembling information and preparing the annual report to DHE (\$3,000 salaries and benefits \$500 general operations).
- 2) Acquiring information through studies/surveys (\$3,000 salaries and benefits, \$1,500 general operations).
- 3) Distributing required information, posting to websites (\$1,000 salaries and benefits, \$500 general operations).
- 4) Ombudsman (10% FTE, \$7,500 salaries and benefits, \$1,500 general operations).
- 5) Required notifications to employees, students and other constituents as required (\$1,000 salaries and benefits, \$1,000 general operations).
- 6) Policy monitoring and enforcement (\$5,000 salaries and benefits, \$1,000 general operations).

TOTAL \$26,500 (\$20,500 salaries and benefits; \$6,000 general operations).

Officials at the **Metropolitan Community College** assume a \$200,000 fiscal impact in the first year and the on-going costs of approximately \$100,000 annually.

Officials at the **Lincoln University** assume possible minimal to moderate fiscal impact to create and administer surveys, write reports, hire and support an ombudsman, and otherwise monitor diversity activities as mandated in the proposed legislation.

ASSUMPTION (continued)

Officials at the **Truman State University** state they are unable to determine the fiscal impact for the university.

Officials at the **University of Missouri** assume they would incur minimal additional administrative costs.

Officials at the **Linn State Technical College** and the **Missouri State University** assume that there is no fiscal impact from this proposal.

Oversight assumes that the cost to the institutions to develop a report on diversity would be minimal and could be absorbed by the institutions.

| <u>FISCAL IMPACT - State Government</u> | FY 2009 (10 Mo.) | FY 2010 | FY 2011 |
|---|---------------------|---------|---------|
|---|---------------------|---------|---------|

| | | | |
|--|------------|------------|------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
|--|------------|------------|------------|

| <u>FISCAL IMPACT - Local Government</u> | FY 2009 (10 Mo.) | FY 2010 | FY 2011 |
|---|---------------------|---------|---------|
|---|---------------------|---------|---------|

| | | | |
|--|------------|------------|------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
|--|------------|------------|------------|

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Higher Education
University of Central Missouri
Metropolitan Community College
Linn State Technical College
Lincoln University
Truman State University
University of Missouri
Missouri State University

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
January 7, 2008